The Legislative Assembly of
British Columbia

FINANCIAL REVIEW OF THE INDEPENDENT OFFICES OF THE LEGISLATIVE ASSEMBLY

SELECT STANDING COMMITTEE ON FINANCE AND
GOVERNMENT SERVICES

REPORT

December 2002

National Library of Canada Cataloguing in Publication Data

British Columbia. Legislative Assembly. Select Standing Committee on Finance and Government Services.
Financial review of the independent offices of the Legislative Assembly : Select Standing Committee on Finance and Government Services report

At head of title: The Legislative Assembly of British Columbia.
Constitutes the second report of the Committee for the 3rd Session, 37th Parliament. Cf. Covering letter.
Submitted to Legislative Assembly of British Columbia. Cf. Covering letter.
Includes bibliographical references: p.
ISBN 0-7726-4895-6

1. British Columbia. Legislative Assembly - Officials and employees. 2. Legislative auditing - British Columbia. 3 Administrative agencies - British Columbia - Evaluation. 4. British Columbia. Office of the Auditor General - Accounting - Evaluation. 5. British Columbia. Chief Electoral Officer - Accounting - Evaluation. 6. British Columbia. Commissioner of Conflict of Interest - Accounting - Evaluation. 7. British Columbia. Office of the Information and Privacy Commissioner - Accounting - Evaluation. 8. British Columbia. Office of the Ombudsman - Accounting - Evaluation. 9. British Columbia. Office of the Police Complaint Commissioner - Accounting - Evaluation. I. Title.

JL433.B74 2002 328.711'07452 C2003-960006-8X

OFFICE OF THE CLERK OF COMMITTEES
SELECT STANDING COMMITTEE ON FINANCE AND GOVERNMENT SERVICES

Location:
Room 224, Parliament Buildings
Victoria, British Columbia
V8V 1X4

Telephone: **(250) 356-2933**

Toll free at: **1-877-428-8337**

Fax: **(250) 356-8172**

E-mail: **ClerkComm@leg.bc.ca**

Internet Homepage: www.legis.gov.bc.ca/cmt

This report and others are available at our Internet Homepage which also contains further information about this and other Select Standing and Special Committees: http://www.legis.gov.bc.ca/cmt

103-02900/

December 13, 2002

To the Honourable,
The Legislative Assembly of the
Province of British Columbia
Victoria, British Columbia

Honourable Members:

I have the honour to present herewith the *Second Report* of the Select Standing Committee on Finance and Government Services for the Third Session of the Thirty-Seventh Parliament.

The *Second Report* summarizes the work of the Committee regarding its financial review of the six independent offices of the Legislative Assembly.

Respectfully submitted on behalf of the Committee.

Mr. Blair Lekstrom, MLA
Chair

TABLE OF CONTENTS

Composition of the Committee i
Terms of Reference ii
Committee Process iii
Introduction 1
Update 1
Office of the Information and Privacy Commissioner 3
Office of the Ombudsman 7
Elections BC 11
Office of the Auditor General 15
Office of the Police Complaint Commissioner 19
Office of the Conflict of Interest Commissioner 23
Conclusions 25
General Recommendations 25
References 27

COMPOSITION OF THE COMMITTEE

MEMBERS

Blair Lekstrom, MLA	Chair	Peace River South
Ida Chong, MLA	Deputy Chair	Oak Bay-Gordon Head
Harry Bloy, MLA		Burquitlam
Jeff Bray, MLA		Victoria-Beacon Hill
Arnie Hamilton, MLA		Esquimalt-Metchosin
Brian Kerr, MLA		Malahat-Juan de Fuca
Joy MacPhail, MLA		Vancouver-Hastings
Lorne Mayencourt, MLA		Vancouver-Burrard
Sheila Orr, MLA		Victoria-Hillside
Ralph Sultan, MLA		West Vancouver-Capilano
Patrick Wong, MLA		Vancouver-Kensington

CLERK TO THE COMMITTEE

Craig James, Clerk of Committees and Clerk Assistant

RESEARCHERS TO THE COMMITTEE

Josie Schofield, Committee Research Analyst

Audrey Chan, Committee Researcher

TERMS OF REFERENCE

On May 30, 2002, the Select Standing Committee on Finance and Government Services was empowered:

a) To consider and make recommendations on the annual service plans, business plans and budgets of the following statutory officers:

   i) Auditor General

   ii) Chief Electoral Officer

   iii) Conflict of Interest Commissioner

   iv) Information and Privacy Commissioner

   v) Ombudsman

   vi) Police Complaint Commissioner; and,

b) To examine, inquire into and make recommendations with respect to reports or communications of the officers of the Legislative Assembly, from time to time submitted to the Committee respecting any matter within the jurisdiction of that officer.

In addition to the powers previously conferred upon the Select Standing Committee on Finance and Government Services, the committee shall be empowered:

(a) to appoint of their number one or more subcommittees and refer to such subcommittees any of the matters referred to the committee;

(b) to sit during a period in which the House is adjourned and during any sitting of the House;

(c) to adjourn from place to place as may be convenient; and

(d) to retain personnel as required to assist the committee;

and shall report to the House as soon as possible, or following any adjournment or at the next following session, as the case may be, to deposit the original of its reports with the Clerk of the Legislative Assembly during a period of adjournment and upon resumption of the sittings of the House, the Chair shall present all reports to the Legislative Assembly.

COMMITTEE PROCESS

On May 30, 2002, the Legislative Assembly instructed the all-party Select Standing Committee on Finance and Government Services to review the annual service plans, business plans and budgets of the following statutory officers:

a) Auditor General

b) Chief Electoral Officer

c) Conflict of Interest Commissioner

d) Information and Privacy Commissioner

e) Ombudsman

f) Police Complaint Commissioner

Following the practice begun last year, this mandate permits the statutory officers to report on the operations of their independent offices to Members of the Legislative Assembly, rather than submitting their budget proposals to the Treasury Board. The terms of reference also permit the Committee to respond to other reports or communications from the six officers.

The Finance Committee met twice over the course of the summer – on June 26 and July 18, 2002 – to receive an update on the operations of the six independent offices. As Elections BC was unable to attend the scheduled meetings, it submitted an update to the Committee in a letter dated June 28, 2002.

During the fall, the Committee heard individual presentations from each independent office over the course of four public meetings – held in Victoria on October 30, November 6, 20, and 27, 2002. Members also met on November 27, December 2 and 11, 2002 to conduct their deliberations on the content of the report to be presented to the House. Transcripts of the public meetings and an electronic copy of this report are available on the Legislative Assembly web site, at www.legis.gov.bc.ca/cmt.

INTRODUCTION

The report begins with a brief update on developments affecting the independent offices since December 2001, when the Finance Committee completed its first review. It then provides a summary of the Committee's recent inquiry into the service plans and budget proposals of each of the six independent offices. The final section of the report contains the Committee's general conclusions and recommendations pertaining to all the offices.

UPDATE

Since the Select Standing Committee on Finance and Government Services conducted its first financial review in the fall of 2001, the number of statutory officers of the Legislative Assembly has decreased from seven to six. The *Office for Children and Youth Act*, which was enacted on May 15, 2002, consolidated the independent Office of the Child, Youth and Family Advocate and the Children's Commission into a new agency under the Ministry of Attorney General.

Personnel changes have also occurred with respect to two independent offices during the year. On May 30, 2002 the province's first Police Complaint Commissioner, Don Morrison, tendered his resignation to the Speaker. On June 3, the Chief Electoral Officer, Bob Patterson, announced that he would not be seeking reappointment when his term of office expired on June 6, 2002. In response, two special legislative committees were struck to undertake the search for replacements. During the summer, Linda Johnson was appointed to serve as the Acting Chief Electoral Officer, and Benjamin Casson, QC, as the Acting Police Complaint Commissioner.

There have also been developments with respect to the statutory officers' shared services initiative. In January 2002, with funding provided by the Auditor General, some officers hired a management consultant, Ted Semmens, to conduct a feasibility study on introducing a shared services model for the delivery of core management services — including financial management and accounting, payroll, human resources management, computer support and general office administration. During the summer of 2002, the Committee learned that only two statutory officers — the Information and Privacy Commissioner and the Ombudsman — were actively pursuing the shared services model recommended by the consultant.

To facilitate the second financial review process, the Chair of the Finance Committee sent a memo to each statutory officer on September 23, 2002, outlining the Committee's expectations regarding the format of the budget proposals to be presented by the six independent offices.

Before summarizing the results of our financial review of each office, the Committee would like to acknowledge the cooperation of the six statutory officers and their staff. In particular, we would like to applaud their collective efforts to find cost efficiencies, while continuing to meet their statutory obligations during these fiscally challenging times.

OFFICE OF THE INFORMATION AND PRIVACY COMMISSIONER

"I've come to the committee today with a budget that reflects the second 10 percent cut.... The reasons are twofold. One, I wanted, for good or for ill, to give my staff some certainty sooner rather than later; and two, I need to be able to reorganize the office so that we can most efficiently and effectively allocate the remaining resources to the fulfilment of our obligations."
(David Loukidelis, Information and Privacy Commissioner for British Columbia)

BACKGROUND

The independent Office of the Information and Privacy Commissioner was established in 1993, under the *Freedom of Information and Protection of Privacy Act*. It serves as an appellate body, investigating complaints from members of the public who have been denied the right of access to the records of government ministries and other public bodies, or who are concerned about the disclosure of personal information. The office also engages in public education concerning access and privacy rights.

Funding for the operation of the Office of the Information and Privacy Commissioner (OIPC) is provided through a vote appropriation (Vote 5), and by recoveries from OIPC-run conferences. The appropriation for the office is paid from, and funds are deposited in, the consolidated revenue fund.

A year ago the Select Standing Committee on Finance and Government Services reviewed the first budget proposal submitted by the OIPC to a legislative committee. At that time the office's annual net operating budget was $2,344,000, which was defined as the baseline for the purpose of the financial review. In its December 2001 report, the Committee recommended a 35 percent reduction in the office's baseline budget spread over three years — 10 percent in 2002/03, an additional 10 percent in 2003/04, and a further 15 percent in 2004/05.

COMMITTEE REVIEW

On October 30, 2002 the Committee met to review the office's budget proposal for 2003/04. Representing the office was David Loukidelis, Information and Privacy Commissioner.

BUDGET PROPOSAL, 2003 – 2004

The Information and Privacy Commissioner began his presentation by stressing the importance of maintaining the statutory process of independent, arms-length review of administrative decisions. He also stated that it would be inappropriate to use the independence of his office as a shield against public scrutiny. To demonstrate his commitment to financial accountability, the budget proposal included a copy of the audited financial statements for 2001/02, to assure the Committee and the public that the tax dollars given for the operations of his office have been spent wisely. Other

appendix material contained budget statistics showing that funding for the BC office is modest, in comparison to other provinces, such as Alberta, Ontario and Quebec.

The Commissioner then informed the Committee that next year's budget reduction target might affect his office's ability to respond to access-to-information appeals brought by citizens and by businesses within the statutory time limit. Furthermore, the office might have to scale back significantly, or even eliminate, its policy advice, public education and training services to meet the recommended 20 percent cut from its baseline budget of 2001/02. The Commissioner also predicted that if a further 15 percent cut was implemented for 2004/05, his office was faced with the prospect of not being able to deliver its statutory services, which constitute the bulk of the workload. In addition, he said that the office's role as an independent oversight agency ensuring openness and accountability in government would be seriously undermined.

Regarding the current financial situation, the Commissioner stated that the workload for his 16 full-time employees is continuing to grow, against the backdrop of the loss of five FTEs due to recent budget cuts. While the number of appeal and complaint cases has remained stable during the first six months of this fiscal year, there has been a considerable increase in the number of requests for legislative reviews and consultations on policies and programs.

Furthermore, the additional responsibilities, which the office has taken on in the last year, have added to the "acute" funding concerns. The Information and Privacy Commissioner is now the province's first registrar of lobbyists, under the *Lobbyists Registration Act*, which came into force on October 29, 2002. While the Ministry of Attorney General is providing a modest budget for one FTE to operate the new electronic registry, OIPC staff resources have been used over the past year to work with the ministry to devise the regulations and create the website for registration. The Commissioner also brought to the Committee's attention his concern about his new obligation to assume an oversight role in regard to the provincial private sector privacy legislation, which is likely to be enacted before the start of the 2004 calendar year.

Members' Inquiry

In their response to the Commissioner's presentation, the Committee members' inquiry focused on four key areas: comparative budget statistics, third-party fees, cost-recovery fees, and shared services. They also sought clarification on individual items in the proposed operating budget for 2003/04 related to salaries, supplementary costs, staff travel, office and business expenses, building occupancy charges, and recoveries external to the consolidated revenue fund.

Comparative budget statistics

Some members inquired about the statistics comparing the caseload and budget of the BC office with its counterparts in Alberta and Ontario. They wondered whether BC's relatively high caseload, particularly in comparison to Alberta's, represented a backlog of cases that preceded the move towards an era of more openness and accountability in the province, or the fact that the other provinces have simpler rules and regulations.

The Commissioner informed the Committee that there is no backlog of cases in BC, and that the access and privacy laws in Alberta and Ontario are very similar to the BC legislation. The fact that Alberta has a smaller population than BC could explain why the caseload is so much lower there. In the case of Ontario, its legislation is narrower in scope, since it does not cover schools, universities, colleges and hospitals. Also, as it is older than the BC law, public institutions in Ontario have a better understanding of the legislation and make decisions that are less likely to be appealed. The levying of appeal fees, which raise about $25,000 a year, might also deter some people in Ontario from lodging complaints.

The Commissioner was also asked if the recent amendment to the *Freedom of Information and Protection of Privacy Act* enabling public bodies to disregard frivolous or vexatious requests has had any effect on the caseload. He pointed out that its impact was minimal, because the number of such requests is tiny in comparison to the overall caseload. Another amendment, though, which changed the timeline for dealing with access appeals to 90 working days, will help the office to meet its statutory obligations.

Third-party fees

Some members inquired if the BC office has ever considered charging third-party fees to lawyers appealing access decisions on behalf of clients, as a means of raising additional revenue. The Commissioner informed the Committee that the charging of fees for appeals — made by individuals or by third parties — would require a change in the vote description of the annual estimates, because currently any additional revenue has to be given back to the consolidated revenue fund. The Commissioner observed that charging lawyers full fees for their interventions on behalf of clients would certainly be a first in Canada and a policy matter for government to decide. In his opinion, the existing fee structure works well. The BC legislation allows public bodies to which access requests are made to charge a fee of up to $30 an hour for search time, photocopying, and preparing records for disclosure, except for requests for personal information.

Cost-recovery fees

The Committee first raised the topic of cost-recovery fees in regard to charging for appeals, following the example of Ontario. In response, the Commissioner expressed reservations about the desirability and practicality of charging fees, before pointing out that cost recovery is a policy choice for the government to decide.

The Committee also discussed cost-recovery fees as a way of financing the OIPC training courses for access and privacy staff employed by public bodies across the province. Members acknowledged the value of maintaining, if not expanding, these sessions in order to reduce the number of appeals and complaints the office staff would have to deal with. Concerned that these sessions might have to be curtailed to meet the budget reduction target for 2003/04, they inquired whether more courses could be offered on a cost-recovery basis, via partnerships with other groups — such as the People's Law School.

The Commissioner informed the Committee that currently course fees are levied to cover out-of-pocket expenses, and that any surplus money made from these optional activities has to be returned

to the consolidated revenue fund at the end of each fiscal year, under the existing terms of Vote 5. He expressed interest in the idea of partnering with other groups on an enhanced cost-recovery basis to offer more public education sessions.

On a related matter, some members discussed with the Commissioner new ways of measuring the success of the training courses for staff employed by public bodies, particularly those agencies that generate the most complaints. One suggestion was to devise a ratio, linking the frequency of appeals to the number of FOI requests made to a particular ministry. The Commissioner stated that his office has no ability to compel ministries to report that kind of information, unlike its Ontario counterpart. However, the privacy and information branch of the Ministry of Management Services has a new version of a request-tracking system that could generate this kind of statistical information.

Shared services

The Committee requested an update on the shared services initiative. The Commissioner confirmed that he and the Ombudsman are continuing to work with the BC Buildings Corporation to identify appropriate accommodation to house the Victoria operations of the two offices. He also confirmed that a contract has recently been implemented whereby the Office of the Ombudsman now provides all the information support services for his office. A shared services agreement for finance and office administrative services between the two offices is also expected to be in place by January 2003 and ready for implementation in the 2003/04 fiscal year.

RECOMMENDATIONS

The Committee recommends:

- **That the operating budgets of the Office of the Information and Privacy Commissioner be $1,875,200 in 2003/04 and $1,523,600 in 2004/05, reflecting the budget reduction targets made to the office's baseline budget ($2.344 million) that were approved by the Legislative Assembly on February 14, 2002.**
- **That the operating budget of the Office of the Information and Privacy Commissioner be maintained at $1,523,600 for the 2005/06 fiscal year, unless a compelling case can be made for additional funding for specific program activities.**
- **That the Office of the Information and Privacy Commissioner be granted an annual capital budget of $15,000 in 2003/04 and $15,000 in 2004/05.**

OFFICE OF THE OMBUDSMAN

"The last point I wish to make regarding the budget proposal is that my office is obviously taking the three-year planning process now in place very seriously. We have developed plans for a 35 percent reduction.... We will need to make decisions, to enter into lease arrangements with respect to shared space, all based on the three-year plan."
(Howard Kushner, Ombudsman, Province of British Columbia)

BACKGROUND

The Office of the Ombudsman is independent of government and investigates complaints about administrative unfairness on the part of provincial institutions and other public authorities. When appropriate, the Ombudsman can recommend changes to practices, procedures, policies or decisions to resolve the unfairness.

Funding for the operation of the Office of the Ombudsman (OO) is provided through a vote appropriation (Vote 7) and by the proceeds from the sale of office manuals. The appropriation for the office is paid from the consolidated revenue fund.

A year ago the Select Standing Committee on Finance and Government Services reviewed the first budget proposal submitted by the Office of the Ombudsman to a legislative committee. At that time the office's net operating budget was $4,765,000, which was defined as the baseline for the purpose of the financial review. In its December 2001 report, the Committee recommended a 35 percent reduction in the office's baseline budget spread over three years — 5 percent in 2002/03, an additional 10 percent in 2003/04, and a further 20 percent in 2004/05.

COMMITTEE REVIEW

On November 6, 2002 the Committee met to review the office's budget proposal for the next three fiscal years. Representing the office were Howard Kushner, Ombudsman; and Lanny Hubbard, Director of Corporate Services.

BUDGET PROPOSAL, 2004 – 2006

The Ombudsman began his presentation by providing an overview of his office's activities over the past year. These activities included the development of a comprehensive set of performance measures, covering all aspects of the office's operations and its overall effectiveness.

Regarding the budget proposal, the Ombudsman outlined the steps taken by his office to meet the recommended 5 percent budget cut for the current fiscal year. He informed the Committee that seven positions have been eliminated, including the Deputy Ombudsman, and that the Vancouver office space has been downsized by 25 percent, saving about $60,000. The office has also been an active participant in the statutory officers' shared services initiative. It now provides IT support to the Office of the Information and Privacy Commissioner (OIPC), and expects to sign an agreement with that office soon to share administrative and financial services for implementation in 2003/04.

While the potential savings are not substantial, this arrangement will ensure adequate staffing during holiday periods and provide a level of expertise at reasonable cost. Other plans involve sharing office space in Victoria with the OIPC, and sharing office space in Vancouver and/or services with the Office of the Police Complaint Commissioner.

The Ombudsman then presented four budget reduction proposals — one for a 35 percent reduction, two options for a 15 percent reduction, and one for a 10 percent reduction. His submission provided a picture of what his office would look like and what type of complaints it would be able to investigate under each of the different funding proposals.

The Ombudsman pointed out that the 35 percent budget reduction option would have the most dramatic and drastic impact. This option would involve the closure of the Vancouver office to the public and telecommuting by the Vancouver staff, and the loss of 19 FTEs out of the current staff complement of 45. Furthermore, it would see the loss of investigative ability for complaints about administrative unfairness in relation to local governments, colleges and universities, schools and school boards, hospitals and health authorities, professional associations and the Workers Compensation Board.

The Ombudsman also observed that the 35 percent budget reduction is consistent with the recommendations the Committee made last year, which suggested restricting the scope of his jurisdiction to provincial institutions. Secondly, it is also consistent with an internal review of the office's workplan and workload undertaken by two in-house staff committees. Thirdly, the option is relatively efficient and easy to implement. Fourthly, its implementation would not require any legislative amendment to the *Ombudsman Act* or schedule, as the Ombudsman can exercise discretion on the basis of funding. However, implementation of the option could precipitate the filing of a special report to the Assembly to advise that the amounts provided in the estimates were inadequate to enable the Ombudsman to fulfil the duties of the office.

MEMBERS' INQUIRY

In their response to the Ombudsman's presentation, the Committee members' inquiry focused on three key areas: office costs, office caseload, and performance measures. They also sought clarification on the first alternative proposed for a 15 percent budget reduction, and on individual items in the 35 percent budget reduction proposal concerning employee salaries, amortization, vehicles, and building occupancy charges.

Office costs

Some members were concerned that the proposed reductions in "hard costs," such as office and business expenses and the operating costs of information systems, seemed to be minor ones, whereas the staff complement would be reduced quite a lot to meet the budget targets. They asked the witnesses whether the office could make deeper cuts in its hard costs in order to protect the jobs of the people who do the work. They were informed that from the outset, the office has adopted the principle that operating costs would be reduced and salaries protected, to the extent possible. The

office is trying to find further savings in its operating expenses, partly through the planned shared-space arrangement with the Office of the Information and Privacy Commissioner.

Office caseload

Another inquiry related to the seven provincial entities — four ministries, one board and two Crown corporations — that account for over half of the office caseload, according to statistics in the 2001 annual report. Members wondered why these seven attracted the majority of complaints about administrative unfairness. In his response, the Ombudsman observed that the pattern is found in other jurisdictions and partly reflects the type of activities that are occurring in these organizations, which are more likely to attract citizens' complaints about unfair decisions or processes. He has encouraged all these public authorities to develop internal complaint resolution processes to enable the Office of the Ombudsman to be the office of last resort.

On a related question, the Ombudsman was asked for his opinion on whether the ministries with the highest proportion of complaints should be held more accountable for their work, by contributing in some way to the costs of maintaining the independent offices that act as public watchdogs. The Ombudsman responded by reiterating that these ministries are not acting improperly but rather that the nature of their activities is more likely to raise questions of unfairness.

Performance measures

The Committee also inquired if the office has developed performance measures with a view to shortening the time frame for opening and closing a case, and if it compiled comparative statistics on this activity. The Ombudsman responded that the office has set the following targets regarding the closure of files — 70 percent within three months, 85 percent within six months and 90 percent within a year. He also stated that compared to other ombudsman offices across the country, the BC office is in front of the pack in developing such measures and trying to set standards for performance with regard to processing complaints in a timely manner. In the case of files that take longer to investigate, the office will consider tracking the length of complaint by type of authority and by type of complaint.

There was also some discussion of the best way to report the statistics on how files were closed in the office's annual report. One suggestion was to elaborate on the difference between cases settled under section 14 of the *Ombudsman Act* and findings not substantiated (section 22 cases) in order to enable the public to track the types of activity that prompted the different outcomes.

RECOMMENDATIONS

The Committee recommends:

- **That the operating budgets of the Office of the Ombudsman be $4,050,250 in 2003/04 and $3,097,250 in 2004/05, reflecting the budget reduction targets made to the office's baseline budget ($4.765 million) that were approved by the Legislative Assembly on February 14, 2002.**

- **That the operating budget of the Office of the Ombudsman be maintained at $3,097,250 for the 2005/06 fiscal year, unless a compelling case can be made for additional funding for specific program activities.**
- **That the Office of the Ombudsman be granted an annual capital budget of $62,000 in 2003/04 and $65,000 in 2004/05.**

ELECTIONS BC

"Amortization is a budget item over which the organization has no control. Achieving the requested budget reduction of 45 percent in 2004/05 will require the Committee to recognize the need for budgetary relief to deal with the effect of amortization."
(Harry Neufeld, Chief Electoral Officer, Province of British Columbia)

BACKGROUND

Elections BC is the name of the independent office of the Chief Electoral Officer, who is responsible for the impartial administration of provincial general elections and other electoral events, such as referendums, recalls and initiatives. The office also maintains the provincial voters list and engages in voter education and outreach. The work of the office is cyclical in nature and involves managing and budgeting for both scheduled and on-demand events.

Funding for the operation of Elections BC is provided through a vote appropriation (Vote 4). All expenses for the office are paid out of the consolidated revenue fund.

A year ago the Select Standing Committee on Finance and Government Services reviewed the first budget proposal submitted by Elections BC to a legislative committee. After setting the office's baseline budget at $10,012,000, the Committee recommended a 45 percent reduction spread over three years — 15 percent in 2002/03, an additional 15 percent in 2003/04, and a further 15 percent in 2004/05.

COMMITTEE REVIEW

On November 20, 2002 the Committee met to review Election BC's new service plan, which included its budget proposal for the next three fiscal years. Representing the office was Harry Neufeld, the province's new Chief Electoral Officer, who was sworn in on November 8, 2002, after having his appointment unanimously recommended by the Assembly. Also present were Linda Johnson, Deputy Chief Electoral Officer; and Nola Western, Director of Electoral Finance.

SERVICE PLAN, 2004 – 2006

The Chief Electoral Officer began by presenting an overview of his office's budget projections. He informed the Committee that the office would meet the recommended target of a 30 percent budget reduction by March 31, 2004. However, the actual operating dollars available in the office's budget for 2003/04 would reflect almost a 50 percent reduction from the recommended baseline. This budget challenge is largely due to the amortization costs related to a capital project to update the office's computer system, which began in 1998. As the organization has no control over this budget item, Elections BC asked the Committee to consider granting some budgetary relief to deal with the effect of amortization.

The Deputy Chief Electoral Officer then briefed the Committee on the office's ongoing programs, pointing out that the large operational component of its mandate distinguishes it from the other

independent offices that act as public watchdogs. An important part of its day-to-day operations is voter registration and voters list maintenance. The witness reminded the Committee that the use of the provincial voters list for jury selection is still preventing the office from accessing federal voter data. She reported that Elections BC has asked the Ministry of Attorney General to amend the legislation, and that this is likely to happen in the spring. The proposed amendments would facilitate access to the national register of electors and remove the stipulation regarding the use of the provincial voters list for jury selection. Access to federal voter data would greatly enhance the currency, completeness and accuracy of the provincial voters list at a minimal cost, and possibly lead to the cancellation of the 2004 enumeration, for a potential savings of over $4 million.

The Committee also learned that Elections BC shares the provincial voters list with BC municipalities. During the recent local elections, 70 municipalities used it as their base, rather than creating and maintaining their own lists. According to a conservative estimate, this data sharing saved BC taxpayers over $10.5 million in administrative costs for the 2002 municipal elections.

Regarding shared services, the Chief Electoral Officer told the Committee of his interest in pursuing opportunities to achieve efficiencies by working with the province's statutory officers and his counterparts in other jurisdictions. Currently he and the Auditor General are considering reinstating the shared human resources and payroll services arrangement that existed prior to the 2001 provincial election, and possibly sharing office space. The Chief Electoral Officer is also having discussions with the Information and Privacy Commissioner and the Ombudsman about moving to the same building and sharing some common areas.

Members' Inquiry

In their response to Elections BC's presentation, the Committee members' inquiry focused on three key areas: amortization costs, data sharing and the impact of fixed election dates. They also sought clarification on comparative voter registration criteria and programs, electoral district redistribution, the extent of voter fraud, as well as the impact on the office's finances of the proposed citizens' assembly on electoral reform and of the recent court decision to grant voting rights to prisoners in federal institutions. Questions were also asked on individual items in the 2003/04 operating budget related to address and boundary maintenance, investigations, and voters list maintenance.

Amortization costs

Members asked the witnesses to elaborate on the problem posed by the high amortization costs and to clarify the request for some amortization relief. The Committee learned that the overall cost of the new electoral information system was about $8.5 million, and that it was developed to meet the information processing requirements of the 1995 *Election Act* and the *Recall and Initiative Act.*

The Chief Electoral Officer pointed out that the office did not feel the full effects of that expenditure until it took possession of the system towards the end of 2001/02, a delivery date that was earlier than anticipated. The office has to pay amortization costs over a five-year period (2001 – 2006), because the equipment does not qualify as a major system, under government accounting

rules. If the price tag had been $10 million, the election information system could have been amortized over a longer period — namely, its actual expected useful life.

Regarding amortization relief, the Chief Electoral Officer proposed two options: freezing the 2002/03 operating budget for the next three fiscal years, or else dealing with amortization as a separate budget category for the purposes of accountability. He pointed out, though, that the latter option would be outside the mainstream of how government accounting works.

Data sharing

The Committee also inquired about the financing of the data-sharing arrangement between Elections BC and the larger municipalities. They learned that the legislation enables the office to provide the provincial voters list to municipalities upon request for use in local elections. Elections BC charges a small fee for the cost of producing the files — averaging $160 a municipality — which lists the voters residing within municipal boundaries. However, as this practice does not currently generate any revenue for the office, Elections BC plans to talk with the Union of BC Municipalities about a possible partnership to encourage more municipalities to use the lists to reduce their costs, and to gauge its comfort level about charging fees for this data.

The witnesses were also asked whether Elections BC has considered renting electronic voting machines from municipalities in order to reduce the costs of hiring temporary staff for provincial elections. They informed the Committee that there are some logistical challenges associated with having compatible hardware available across the entire province available for a general election, as there is a significant variation in the brands, models and vintages of the hardware used by municipalities. Moreover, the witnesses claimed that under the current first-past-the-post electoral system, there are no savings to be had from the use of ballot tallying machines, because the costs of counting votes for one race are quite insignificant, compared to tallying votes for multiple races (school board, councillor, mayor). By contrast, Internet voting would save "a tremendous amount of money" in staffing costs, but this innovation requires a change in the political culture of the province.

Fixed election dates

Another inquiry related to the impact on the office of having fixed dates for provincial general elections. The Chief Electoral Officer stressed the advantage of being able to plan in an organized way for the event, rather than having false starts and associated costs. However, the unpredictable timing of by-elections, referenda, recall and initiative campaigns results in unexpected resource pressures and affects the office's ability to plan efficiently.

On a related matter, the witnesses were asked whether the timing of enumerations is now linked to fixed election dates. In their response, they pointed out that the two events are currently scheduled independently. The *Election Act* requires that an enumeration be conducted in the third calendar year following a general election, rather than being linked to the new fixed election date. The Chief Electoral Officer can recommend cancellation of the enumeration, if he is satisfied that the provincial voters list is current enough; however, the Assembly can override his recommendation.

Elections BC officials noted that it would be helpful, if costly, to conduct a door-to-door enumeration six months before the fixed election date, pointing out that the high mobility of BC residents, especially in urban ridings, poses considerable challenges for the office in ensuring the ongoing currency and accuracy of the voters list. The need for multilingual voting materials and election officials is also increasing.

RECOMMENDATIONS

The Committee recommends:

- **That to ease the burden of high amortization costs facing Elections BC, the office's operating budgets be $7,509,000 in 2003/04 and $6,507,800 in 2004/05. These amounts reflect an adjustment in the original budget reduction targets approved by the Legislative Assembly approved on February 14, 2002.**

- **That the operating budget of Elections BC be maintained at $6,507,800 for the 2005/06 fiscal year, unless a compelling case can be made for additional funding for specific program activities.**

- **That Elections BC be granted an annual capital budget of $1,005,000 in 2003/04 and $1,005,000 in 2004/05.**

- **That the Ministry of Attorney General proceed with its plan to amend the *Election Act* in the next session, removing the requirement that the provincial voters list be used for jury selection purposes. This amendment would enable Elections BC to gain access to federal voter data for significant cost savings.**

OFFICE OF THE AUDITOR GENERAL

"During the past year, you and other legislators have advised me that the operating appropriation for my office be reduced by 5 percent in 2003/04 and a further 10 percent in 2004/05. If financial support for my office is reduced, I will change what we do and what we deliver accordingly — in a manner, though, that's consistent with my priorities."
(Wayne Strelioff, Auditor General of British Columbia)

BACKGROUND

The independent Office of the Auditor General was established in 1976, under the *Auditor General Act*. It serves the Legislative Assembly and the people of British Columbia by providing independent assessments and advice on the accountability and performance of government. The office's four lines of business are: attesting to the reliability of financial statements; examining the quality of service plan reports; examining how government manages its key risks; and supporting legislators in the use of government performance information.

Funding for the operation of the Office of the Auditor General (OAG) is provided through a vote appropriation (Vote 2), and by recoveries from fee-for-service work done on a contract basis with public sector organizations. The appropriation for the office is paid from the consolidated revenue fund.

A year ago the Select Standing Committee on Finance and Government Services reviewed the first annual budget proposal submitted by the OAG to a legislative committee. At that time the office's annual operating budget was $7,817,000. In its December 2001 report, the Committee concluded that there was a strong case for increasing the Auditor General's budget by $500,000 in 2002/03 to tackle the emerging challenges resulting from the restructuring of government service delivery. Using the increased budget of $8,317,000 as the baseline, the Committee then recommended a 15 percent reduction for the next two fiscal years — 5 percent in 2003/04, and an additional 10 percent in 2004/05.

COMMITTEE REVIEW

On November 27, 2002 the Committee met to review the office's funding proposal for 2003/04. Representing the office were Wayne Strelioff, Auditor General; and Peter Gregory, Deputy Auditor General.

FUNDING PROPOSAL, 2003 – 2004

The Auditor General began his presentation by outlining the contemporary context in which government auditing is taking place. He pointed out that provincially, government organizations are undergoing significant changes, the size of the public service is being reduced, and a new accountability framework is being put in place by the government.

Regarding the current fiscal year, the Auditor General informed the Committee that events have not unfolded exactly as his office anticipated. Firstly, his office has been encountering a higher than expected demand for fee-for-service work, which relates primarily to reporting on the reliability of financial statements of individual government organizations. Secondly, the work schedule has had to be adjusted to respond to issues pertaining to the financial management practices of the Office of the Police Complaint Commissioner, the Working Opportunity Fund, and to the 2010 Winter Olympic bid. Thirdly, the office is doing less work than anticipated on matters related to the implementation of Generally Accepted Accounting Principles (GAAP), due to the fact that the government has opted for full implementation of GAAP on April 1, 2004 to meet the legislated requirement, rather than a staged approach. As a result, approximately $600,000 of the office's current appropriation would be returned to the consolidated revenue fund by March 31, 2003, in line with the practice that has been followed for the past two years.

In the next three fiscal years, the Auditor General anticipates that his office will encounter a significant increase in its workload. To meet the higher demand, the Auditor General asked the Committee to recommend to the House that his office's funding be maintained at the current level. However, he added that if the Committee insisted on a reduction of his budget for 2003/04, adjustments to the office's work plan would be made accordingly – although the Auditor General stated that this particular option would not be his recommendation.

The Auditor General updated the Committee on his office's activities with respect to sharing expertise and services with other statutory officers. He stated that after careful consideration, he has concluded that his office could be more cost effective if it moved more proactively to seek opportunities to collaborate with other Canadian legislative auditors and with private sector auditing firms.

Members' Inquiry

In their response to the Auditor General's presentation, the Committee members' inquiry focused on three key areas: the impact of the full implementation of GAAP in 2004, the office's funding proposal for 2003/04, and the selection of audit priorities. Members also sought clarification on matters related to previous levels of funding and accounting concepts. Questions were also asked about individual items in the office's funding proposal for 2003/04 related to recoveries, salaries and benefits, professional services, and rent.

GAAP implementation

Some members wondered why the Auditor General had recommended a staged approach to implementing GAAP, rather than a one-time full implementation on April 1, 2004. They inquired whether there would be unforeseen risks and challenges in the option chosen by government, and if there have been proven results from other jurisdictions that have attempted a staged approach.

The Auditor General explained to the Committee that the staged approach makes it easier to manage the complexities of bringing new organizations into the financial planning and reporting framework. It enables decision-makers to learn from ironing out the initial problems and apply that

experience to the next stage. He also noted that none of the jurisdictions that have incorporated the broader public sector into the government reporting entity have moved yet to full implementation of the GAAP.

2003/04 budget proposal

Members were struck by the discrepancy between the Office of the Auditor General's proposed operating budget for 2003/04 and their own recommendations in the December 2001 report, which were approved by the Legislative Assembly on February 14, 2002. They wondered why the office was proposing to maintain its funding at the same level – which included a half-a-million-dollar increase approved in 2002/03 – rather than the recommended 5 percent budget reduction. Members were conscious of the fact that other independent offices have had to face the challenge of fiscal constraints a year earlier than the Office of the Auditor General, and are already achieving cost efficiencies and meeting their budget reduction targets.

The Auditor General responded by stating that the workplan developed by his office for 2003/04 anticipates that the existing level of funding will be maintained. His colleague, the Deputy Auditor General, added that the budget proposal indicates that if events do not unfold as anticipated, the office would return 5 percent of its appropriation to the government. In this context, that portion of the proposed budget could be regarded as contingency funding.

Audit priorities

Another inquiry focused on how the OAG senior management determines its audit priorities and, in turn, allocates office resources, given the vast number of government programs available for assessment. The Auditor General confirmed that strategic choices have to be made, taking into account the long-term impact of the choices. While the health sector could consume all the office's resources, the responsibilities of the Auditor General are broad and not related to one area of government.

RECOMMENDATIONS

The Committee recommends:

- **That the operating budgets of the Office of the Auditor General be $7,901,150 in 2003/04 and $7,069,450 in 2004/05, reflecting the budget reduction targets made to the office's baseline budget ($8.317 million) that were approved by the Legislative Assembly on February 14, 2002.**
- **That the operating budget of the Office of the Auditor General be maintained at $7,069,450 for the 2005/06 fiscal year, unless a compelling case can be made for additional funding for specific program activities.**
- **That the Office of the Auditor General be granted an annual capital budget of $190,000 in 2003/04 and $200,000 in 2004/05.**
- **That the Auditor General report back to the Committee on progress made regarding a shared services arrangement for his office by July 2003.**

OFFICE OF THE POLICE COMPLAINT COMMISSIONER

"The staffing changes that we've made are contributing to the office's ability to meet long-term budget reduction targets.... During the past year the office has also examined potential savings that may be occasioned through shared services arrangements with other officers of the Legislature."
(Barbara Murphy, Deputy Police Complaint Commissioner)

BACKGROUND

The independent Office of the Police Complaint Commissioner was established in July 1998, under Part 9 of the amended *Police Act*. It provides impartial civilian oversight of all stages of the investigations conducted by police into complaints about police conduct. The role of the office is to ensure that these police investigations are timely and thorough, and that the outcomes are fair to both members of the public and to the police forces that fall under the jurisdiction of the Police Complaint Commissioner. These comprise all municipal police departments and first nations police services in the province, but not the RCMP.

Annual funding for the operation of the Office of the Police Complaint Commissioner (OPCC) is provided through a vote appropriation (Vote 8). However, since the office's first full year of operation, the OPCC has had to access contingency funding each year to supplement its voted appropriation. Payments for its operating expenses are made from the consolidated revenue fund.

A year ago the Select Standing Committee on Finance and Government Services reviewed the first annual budget proposal submitted by the OPCC to a legislative committee. At that time the office's operating budget was $1,159,000, which was defined as the baseline for the purpose of the financial review. In its December 2001 report, the Committee recommended a 30 percent reduction in the office's baseline budget spread over three years — 5 percent in 2002/03, an additional 10 percent in 2003/04, and a further 15 percent in 2004/05.

COMMITTEE REVIEW

On November 27, 2002 the Committee met to review the OPCC service plan, which included its budget proposal for the next three fiscal years. Representing the office were Benjamin Casson, QC, Acting Police Complaint Commissioner; and Barbara Murphy, Deputy Police Complaint Commissioner.

SERVICE PLAN, 2003 – 2006

The Acting Police Complaint Commissioner began his presentation by noting that various aspects of the reorganization of the OPCC have still not been completed. Ongoing projects include the drafting of the office's policies and procedures manual and putting in place a pilot project for alternative dispute resolution. Regarding the office workload, the Acting Commissioner noted that the publicity surrounding the work of the Special Committee to Review the Police Complaint

Process has prompted a deluge of requests from former complainants, asking for their cases to be reopened and revisited, and has consumed a lot of staff resources in the small office.

The Deputy Police Complaint Commissioner then presented the office's service plan. She began by noting that the oversight function of the office is provided free to complainants and all other stakeholders. The greater proportion of the total cost of operating the process is not borne by the province but by municipal governments and their taxpayers, who fund the cost of complaint investigations by individual police forces. Further costs are borne by police unions and associations that advise and represent police officers named as respondents to a complaint.

With respect to the current fiscal situation, the Deputy Commissioner outlined the overall budget reduction strategies that have been implemented to accommodate the targeted budget reductions. These strategies are in the areas of staffing, office accommodation, information management systems, and shared administrative services. With respect to staffing, the Deputy Commissioner advised the Committee that following a functional review of all positions within the office, the staff complement has been reduced from nine to six.

The Deputy Commissioner informed the Committee that the current office location of the OPCC is not suitable, from the perspectives of costs and staff safety. A safety analysis by BC Buildings Corporation (BCBC) security experts has concluded that the current facilities would require substantial remodelling at substantial costs to address staff safety issues. As a result, the OPCC has been in discussions with BCBC regarding possibilities for relocation, and has recently begun discussions with the Ombudsman about the possibility of sharing his office in Vancouver to achieve cost savings. The Deputy Commissioner advised that the office expects to be relocated by March 31, 2003.

The Committee also learned that the OPCC is having discussions with the Office of the Ombudsman to obtain its case-tracking system and to share financial administration and human resources services. However, the Deputy Commissioner cautioned that in the event that shared space and/or services arrangements cannot be negotiated with the Ombudsman, it may be necessary to consider relocating the office to Victoria to share services with other statutory officers, or to consider sharing services with a government-based agency in the Vancouver area.

Finally, the Deputy Commissioner reminded the Committee that the OPCC often faces budgetary pressures with respect to public hearings and legal costs over which the OPCC has little control. She explained that the Commissioner is required by statute to arrange public hearings in accordance with criteria prescribed by the *Police Act*, but that once that is done, the OPCC has no control over the costs incurred. In addition, the Commissioner is required to respond to any legal challenge to his authority, or to Part 9 of the Act.

MEMBERS' INQUIRY

In their response to the presentation, the Committee members' inquiry focused on two key areas: briefing of the new Commissioner and data on comparative office workloads. They also sought clarification on the OPCC budget proposals for 2003/04 and 2004/05.

Briefing of the New Commissioner

On November 21, 2002, the House accepted the unanimous recommendation of the Special Committee to Appoint a Police Complaint Commissioner to appoint Dirk Ryneveld, QC, as the new Police Complaint Commissioner for a six-year term. Noting this recent appointment, some members inquired whether the new Commissioner has been briefed on financial management matters related to the office. The Deputy Commissioner reported that the budget proposal and service plan had been prepared prior to the appointment of the new Commissioner. She indicated that the new Commissioner will be thoroughly briefed prior to assuming his duties in the new year.

Comparative workloads

In reviewing the statutory obligations of the Police Complaint Commissioner, members were interested in how the workload of the BC office compares to that of equivalent offices in other jurisdictions. The Deputy Commissioner responded that the BC model differs somewhat from other models across the country. She noted, for example, that the investigations in Ontario are carried out by the Commissioner's office, whereas the Manitoba office is an agency under the Ministry of Attorney General rather than an independent office of the Legislature. Therefore, she felt it would be difficult to make a meaningful comparison.

RECOMMENDATIONS

The Committee recommends:

- **That the operating budgets of the Office of the Police Complaint Commissioner be $985,150 in 2003/04 and $811,300 in 2004/05, reflecting the budget reduction targets made to the office's baseline budget ($1.159 million) that were approved by the Legislative Assembly on February 14, 2002.**
- **That the operating budget of the Office of the Police Complaint Commissioner be maintained at $811,300 for the 2005/06 fiscal year, unless a compelling case can be made for additional funding for specific program activities.**
- **That the Office of the Police Complaint Commissioner be granted an annual capital budget of $25,000 in 2003/04.**

OTHER MATTERS

On November 27, 2002, the Select Standing Committee on Finance and Government Services reviewed a request for contingency funding in the amount of $86,521 from the Office of the Police Complaint Commissioner in a letter submitted to the Chair dated October 23, 2002. The Committee learned that this request was occasioned by the unanticipated expenses arising from the

resignation of the former Police Complaint Commissioner. After carefully considering the request, the Committee recommends:

- **That the Office of the Police Complaint Commissioner be granted contingency funding in the amount of $86,521 for the 2002/03 fiscal year.**

OFFICE OF THE CONFLICT OF INTEREST COMMISSIONER

"My operation is the smallest, I think, of any in government. I'm half an officer with a staff of 1½ people.... We're a very humble operation."
(H.A.D. Oliver, QC, Conflict of Interest Commissioner)

BACKGROUND

The independent Office of the Conflict of Interest Commissioner was established in 1990, under the *Members' Conflict of Interest Act*. The Commissioner performs three separate but related roles. Firstly, the Commissioner acts as an advisor to Members of the Legislative Assembly. Secondly, the Commissioner annually reviews the financial affairs of each MLA, and then files the confidential Member's Disclosure Statement. Thirdly, the Commissioner undertakes inquiries into alleged contraventions of the *Members' Conflict of Interest Act*, and upon request, gives an opinion respecting compliance with the Act. Once an investigation or an inquiry is completed, the Commissioner reports to the Legislature and where there is substance to the allegations, recommends a suitable penalty.

Funding for the operation of the Office of the Conflict of Interest Commissioner (OCIC) is provided solely through a vote appropriation (Vote 3). All payments for the office are made from the consolidated revenue fund.

A year ago the Select Standing Committee on Finance and Government Services reviewed the first annual budget proposal submitted by the OCIC to a legislative committee. At that time the office's annual operating budget was $292,000. In its December 2001 report, the Committee recommended maintaining the Commissioner's annual operating budget at $292,000 for 2002/03.

COMMITTEE REVIEW

On November 27, 2002 the Committee met to review the office's budget proposal. Representing the office was H.A.D. Oliver, QC, whose reappointment had just been approved by the House on November 26, 2002. Also present was Betsi Curdie, Research Officer.

BUDGET PROPOSAL, 2003 - 2006

The Conflict of Interest Commissioner began his presentation by noting that his proposal assumes that the operating budget for his office is to be maintained at current funding levels until 2005/06, when a modest increase is requested.

In reviewing the office workload, the Commissioner informed the Committee that despite receiving an increasing number of requests from MLAs for formal written opinions, his office has been able to handle such requests in-house. The Commissioner also advised that the practice of conducting investigations rather than inquiries, as well as a reduction in the number of allegations of serious misconduct received by the Commissioner, have contributed to the decrease in actual office

expenses. This was due to the growing practice of Members consulting the Commissioner on an informal and confidential basis.

On the issue of shared services, the Commissioner advised the Committee that because of the small scale of his operations, his office has required only minimal payroll and accounting services, which are currently provided free of charge by the Legislative Comptroller.

MEMBERS' INQUIRY

In their response to the Commissioner's presentation, the Committee members' inquiry focused on two key areas: document disposal and electronic filing of disclosure forms. They also asked about one item in the budget proposal called other expenditures.

Document Disposal

As in the previous year, the Commissioner raised concerns about the accumulation of outdated disclosure forms in a small office with limited storage space, and his lack of authority under the current legislation to dispose of such files. The Commissioner advised that in carrying out his duties under the *Members' Conflict of Interest Act*, he has never had occasion to refer to the confidential disclosure statements of former Members of the Legislative Assembly. As such, the Commissioner indicated his concurrence with the Committee's suggestion that the disclosure forms could be destroyed five years after a Member vacates his/her seat in the House. This procedure would also be in line with current practice in other Canadian jurisdictions.

Electronic filing of disclosure forms

Referring to the recommendation contained in the Finance Committee's December 2001 report, the Commissioner updated the Committee on the matter of electronic filing of disclosure forms. The Commissioner reported that while some American jurisdictions now provide electronic filing as an option, a number of states, including Texas, have rejected the option of electronic filing due to security concerns. In terms of his own assessment, the Commissioner advised the Committee that given the present state of the art of technological developments, he is not satisfied that electronic filing is a sufficiently secure option to be recommended for MLAs.

RECOMMENDATIONS

The Committee recommends:

- **That the Office of the Conflict of Interest Commissioner continue to receive an annual operating budget of $292,000 in 2003/04, $292,000 in 2004/05 and $292,000 in 2005/06.**
- **That the private and confidential Member's Disclosure Statement received by the Conflict of Interest Commissioner be retained for a period of five years following the vacating of a Member's seat, and can then be disposed of, unless the affairs of the former MLA are under review by the Commissioner or some other public authority, in which case such records shall be retained until the completion of said review.**

CONCLUSIONS

At the outset, the members of the Committee would like to acknowledge those statutory officers and their staff who are striving to meet our recommended budget reduction targets by finding cost efficiencies in their office operations. We would also like to reiterate that we are committed to maintaining the statutory services offered by the six independent offices of the Legislative Assembly. Consequently, if a situation arises where an office can demonstrate that it can no longer meet its statutory requirements, the Committee will meet to review the situation.

The Committee would also like to note that in order to keep in step with the rolling three-year financial planning process adopted by government, our report includes recommendations regarding the 2005/06 budgets for each of the independent offices. However, our expectation is that the recommendation to flat-line the offices' budgets for that fiscal year may be revisited during next year's financial review, if an office can present a compelling case for an increase in its appropriation to fund specific program activities.

Finally, the Committee is pleased with the progress made to date by some independent offices to negotiate arrangements to share office space and/or core management services in order to achieve cost efficiencies and maintain service delivery. We are concerned, though, that the building occupancy charges for the next fiscal year are forecast to total $1.8 million for the six offices, an amount that strikes us as excessive. To reduce rental costs, we think there is a need for more flexibility regarding leasing arrangements.

GENERAL RECOMMENDATIONS

The Committee recommends:

- **That the six independent offices of the Legislative Assembly continue with their plans to share office space and/or core management services in order to achieve cost efficiencies.**
- **That the independent offices of the Legislative Assembly be given more flexibility to negotiate rental leases with commercial real estate agencies, rather than exclusively with the BC Buildings Corporation.**

REFERENCES

GENERAL:

Legislative Assembly of British Columbia. Select Standing Committee on Finance and Government Services. *Financial Review of Statutory Officers of British Columbia.* December 2001.

Ted Semmens. *Feasibility of Three Legislative Offices Sharing Management Services.* May 15, 2002.

OFFICE OF THE INFORMATION AND PRIVACY COMMISSIONER:

Office of the Information and Privacy Commissioner for British Columbia. "Budget Proposal 2003-2004." Presented to the Select Standing Committee on Finance and Government Services, October 30, 2002.

Letter from David Loukidelis, Information and Privacy Commissioner for British Columbia, to Craig James, Clerk of Committees, October 30, 2002.

Letter from David Loukidelis, Information and Privacy Commissioner for British Columbia, to Blair Lekstrom, MLA, November 6, 2002.

OFFICE OF THE OMBUDSMAN:

Office of the Ombudsman, Province of British Columbia. "Executive Summary of Budget Submission, Fiscal 2004 – 2006;" and "Budget Submission, Fiscal 2004 – 2006." Presented to the Select Standing Committee on Finance and Government Services, November 6, 2002.

_____. *2001 Annual Report.*

_____. "Comparison of savings from closure of the Office of the Child, Youth and Family Advocate to budget cuts proposed for the Office of the Ombudsman;" "Office Case Load Statistics;" "Files Closed in 2002/2001 Authority Distribution." (Charts)

"Ombudsman, Province of British Columbia." (Brochure)

Letter from Howard Kushner, Ombudsman, Province of British Columbia, to Blair Lekstrom, Chair, Select Standing Committee on Finance and Government Services, November 8, 2002.

Letter from Howard Kushner, Ombudsman, Province of British Columbia, to Craig James, Clerk of Committees, November 28, 2002.

ELECTIONS BC:

Elections BC. "Service Plan 2003/04 – 2005/06." Presented to the Select Standing Committee on Finance and Government Services, November 20, 2002.

_____. "Revised Service Plan for 2002/03 – 2004/05." Forwarded by Harry Neufeld, Chief Electoral Officer, to Craig James, Clerk of Committees, November 28, 2002.

_____. *Report of the Chief Electoral Officer: 37th Provincial General Election May 16, 2001.*

Letter from Linda M. Johnson, Acting Chief Electoral Officer, to Blair Lekstrom, Chair, Select Standing Committee on Finance and Government Services, June 28, 2002.

Correspondence from Harry Neufeld, Chief Electoral Officer, to Craig James, Clerk of Committees, November 28, 2002.

Correspondence from Nola Western, Elections BC, to Josie Schofield, Office of the Clerk of Committees, December 9, 2002.

OFFICE OF THE AUDITOR GENERAL:

Office of the Auditor General of British Columbia. "Strategic Direction and Funding Proposal, November 2002." Presented to the Select Standing Committee on Finance and Government Services, November 27, 2002.

Correspondence from Bill Gilhooly, Senior Financial Officer, to Craig James, Clerk of Committees, November 28, 2002.

OFFICE OF THE POLICE COMPLAINT COMMISSIONER:

Office of the Police Complaint Commissioner, British Columbia. "Service Plan 2003-2006." Presented to the Select Standing Committee on Finance and Government Services, November 27, 2002.

_____. "Revised Service Plan 2003 – 2006." Submitted to Josie Schofield, Office of the Clerk of Committees, December 9, 2002.

_____. "Budget 2002/03." Prepared November 1, 2002.

_____. *2001 Annual Report.*

Letter from H. Benjamin Casson, QC, Acting Police Complaint Commissioner, to Blair Lekstrom, Chair, Select Standing Committee on Finance and Government Services, October 23, 2002.

Correspondence from Barbara Murphy, Deputy Commissioner, to Craig James, December 6, 2002.

OFFICE OF THE CONFLICT OF INTEREST COMMISSIONER:

Office of the Conflict of Interest Commissioner. "Operating Budget." Presented to the Select Standing Committee on Finance and Government Services, November 27, 2002.

Letter from H.A.D. Oliver, Commissioner, to Blair Lekstrom, Chair, Select Standing Committee on Finance and Government Services, November 27, 2002.

Correspondence from Daphne Thompson, Office of the Conflict of Interest Commissioner, to Craig James, November 29, 2002.